# MEMORANDUM OF UNDERSTANDING

between the

City of Hollister

and the

Hollister Firefighters Union (H.F.F.U.) - Local 3395

November 14<sup>th</sup>, 2011 - June 30<sup>th</sup>, 2014

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#### Article 1. Preamble

This Memorandum of Understanding is entered into by the City of Hollister, hereinafter referred to as the City, and the Hollister Firefighters Union, hereinafter referred to as Union. This Memorandum of Understanding, hereinafter referred to as M.O.U., is subject to Sections 3500-3510 of the Government Code of the State of California, otherwise known as the Meyers-Milias-Brown Act, and the Employer-Employee Relations Resolution of the City of Hollister.

#### Article 2. No Discrimination

The City and the Union will cooperate in pursuing a policy of no discrimination of affirmative action. Any management established City advisory employee committee relating to affirmative action shall provide for Union representation on said committee. The City and Union further agree that no person employed by, or applying for employment, shall be discriminated against because of race, religion, creed, political affiliations, color, national origin, ancestry, age, or sex, unless defined as a bona-fide occupation qualification as defined by Federal or State law. The employer also agrees not to discriminate against any employee for his/her activity on behalf of, or membership in, the Union. Any employee alleging a violation of this article shall have the burden of proving the existence of a discriminatory act or acts and of proving that but for such act or acts the alleged injury or damage to the grievant would not have occurred.

# Article 3. Recognition

Pursuant to Section 3500-3510 of the Government Code, the City certifies the Union as the recognized employee organization for a unit including the classifications of Fire Captain, Fire Engineer, Firefighter and any other classes assigned to the Fire Department except clerical and management.

#### Article 4. Maintenance Of Benefits

The articles included in this agreement constitute a full and complete agreement with the City and Union on all matters within the scope of representation for the period stated in Article 19. Term. All present resolutions, ordinances, rules and regulations, practices and policies covering matters within the scope of representation will continue in force and effect during said period without change, except to conform to the terms of this M.O.U., subject to meet and confer. Notice of any matter proposed to be changed will be provided to the Union in a

timely fashion.

# Article 5. Salary And Special Compensation

# A. Fire Engineer Salary Separation

The Fire Engineer classification shall maintain an industry standard ten percent (10%) salary differential between both the Fire Captain and Firefighter classifications.

# B. Deferred Compensation Plan

The City shall continue, during the term of this M.O.U., to provide a voluntary deferred compensation plan for all employees of this unit.

#### C. Retirement

#### 1. Contribution

- a. The City shall continue to provide the CalPERS 3% at age 50 Retirement Plan for eligible unit members.
- b.. Effective the first Pay Period beginning on or after November 14<sup>th</sup>, 2011, all eligible unit members shall pay Six Percent (6.00%) of their salary as part of the Employee's contribution to one of the following:
  - Public Safety Fire CalPERS 3.0% @ 50 Retirement Benefit
  - Public Safety Fire CalPERS 3.0% @ 55 Retirement Benefit
- c. Effective the first Pay Period beginning on or after July 1<sup>st</sup>, 2012, all eligible unit members shall pay Eight Percent (8.00%) of their salary as part of the Employee's contribution to one of the following:
  - Public Safety Fire CalPERS 3.0% @ 50 Retirement Benefit
  - Public Safety Fire CalPERS 3.0% @ 55 Retirement Benefit
- d. Effective the first Pay Period beginning on or after July 1st, 2013, all eligible

unit members shall pay Nine Percent (9.00%) of their salary as part of the Employee's contribution to one of the following:

- Public Safety Fire CalPERS 3.0% @ 50 Retirement Benefit
- Public Safety Fire CalPERS 3.0% @ 55 Retirement Benefit
- e. The provisions defining membership into these two Levels of Benefits shall be in accordance with Section [2] below.

#### 2. Different Levels of Benefits:

- a. Both parties agree that the current Contract between the California Public Employees Retirement System (CalPERS) and the City of Hollister for Safety Fire shall be amended in order to provide for the following:
  - Section 20475: Different Levels of Benefits provided for New Employees; Second Tier Plan (Section 21369 3% @ 55 Formula).
- b. All eligible unit members hired on or after the amendment to contract between the California Public Employees Retirement System (CalPERS) and the City of Hollister for Section 20475: Different Levels of Benefits provided for New Employees shall become eligible for the Second Tier Plan (Section 21369 3% @ 55 Formula).
- c. All active eligible unit members hired before the amendment to contract between the California Public Employees Retirement System (CalPERS) and the City of Hollister for Section 20475: Different Levels of Benefits provided for New Employees shall remain under the current 3% @ 50 Formula.

#### 3. Survivor's Death Benefit

a. The City agrees to continue the CalPERS Fourth Level Survivor Death Benefit for all eligible unit members. The City agrees to pay the employer rate contribution. The employee agrees to pay the member rate contribution.

#### 4. Modifications

a. The City agrees not to make any other modifications in the current PERS

contract without a vote of all effected employees.

#### D. Overtime

An employee authorized or required to work overtime in excess of the assigned scheduled shift shall be compensated at the additional rate of time and one-half.

# E. Call Back Pay

Any employee who is called back for work from an off duty status shall be compensated with a minimum of three (3) hours overtime for the time worked at the rate of time and one-half.

# F. Bilingual Skills Pay

Unit employees who pass a City-sponsored Spanish speaking and/or written test and are assigned to use a second language as part of their function, shall receive a premium pay of one hundred twenty five dollars (\$125.00) per month while so assigned.

# G. Working Out Of Class Pay

Unit employees may be assigned by management to fill a position of Fire Engineer, Fire Captain or a management position outside the unit and when so assigned shall be compensated as such. The compensation shall be at the bottom step of the acting position so assigned, but with a minimum five percent (5.0%) increase. Work out of class pay shall begin after the employee has been assigned and worked five (5.0) cumulative shifts in the higher classification. The City will fill any vacancies from promotional lists within a 180 day period, with the exception of vacancies created by Worker's Compensation or leaves of absence.

# H. Holiday Compensation

Each member of the bargaining unit who is assigned to a 24 hour shift schedule, shall be entitled to compensation equivalent to eight (8.0) scheduled working shifts in lieu of fixed holidays for each full year of service. For new employees, the amounts shall be prorated on the basis of sixteen (16.0) hours per month. This pro-rata formula shall also apply to separating employees. This entitlement shall be compensated in the following way:

1. Eight (8.0) working shifts, or the prorated amount as provided for above, shall be credited at the beginning of each fiscal year to employees who are in a fully paid status during that year. Such employees may request that any of these eight (8.0) shifts be

granted as compensated time off.

- 2. Twice during the fiscal year an employee may request a cash payment of Compensatory Time Off (CTO), at straight time, in lieu of time off. Requests for cash payment shall be paid on the first pay day which follows June 1st and December 1st of each year. This payment will be made in the regular payroll check issued for that pay period.
- 3. Any shift hours that have not been used as CTO or paid in that fiscal year, shall be paid at the end of the fiscal year at straight time. Such hours shall not be carried over to the following fiscal year. This payment will be made in the regular payroll check issued for that pay period.

#### I. Promotions

Employees promoting shall receive a salary increase equivalent to one (1) step (approximately five (5.0%) percent) or movement into the new salary range, whichever is greater.

# J. Salary Range Schedule

The six (6) step salary range schedule adopted on May 13th, 1995, shall remain in effect for the term of this agreement.

#### K. General

No Cost of Living Allowances were given to any members of this unit.

#### Article 6. Insurance

#### A. Medical

- 1. The City shall continue to provide the CalPERS or Blue Cross HMO medical plan for each represented member of the unit for the term of this M.O.U. or as long as they are available. An agreed-upon substitute shall be implemented if any of the above mentioned medical plans are no longer available during the term of this agreement.
- 2. The City shall pay two hundred dollars (\$200.00) per month toward medical insurance for unit retirees that have earned a regular CalPERS service retirement

after twenty (20.0) consecutive years of service or more to the City of Hollister. This benefit will be paid until the retiree is Medicare eligible at which time the benefit will cease.

#### B. Dental and Vision Coverage

The City shall continue to provide dental and vision coverage for each represented member of the unit for the term of this M.O.U..

#### C. Section 125 Flexible Benefits/Cafeteria Plan

The City shall continue to provide for each represented member of the unit for the term of this M.O.U., a Section 125 Flexible Benefits/Cafeteria Plan in accordance with applicable laws and regulations.

If surplus Flex Credits are available, all represented members of this unit shall have the option to allocate such Flex Credits to one of the following:

- a. Represented Unit Member's Flexible Spending Account.
- b. Roth Individual Retirement Account (IRA) (pending availability)
- c. ICMA or City-authorized 457 Deferred Compensation Plan

# D. City Health Care Contributions

The City shall continue to contribute toward the CalPERS or Blue Cross HMO medical, existing dental, and vision care plans based on the formula established in the City's Flexible Benefits/Cafeteria Plan (Exhibit A) for each member of the unit for the term of the M.O.U. The City agrees to adjust the City's contribution toward each eligible member's flexible benefits account in an amount equal to any health care rate adjustments that occur during the life of this M.O.U.

# E. Terms for Health Care Participation

Participation and coverage in the medical, dental and vision care plans shall be in accordance with the terms and conditions of the insurance carrier.

#### F. Life Insurance

The City shall continue to provide term life insurance, at its cost, through the CSFA Plan 2

for each member of the unit for the term of this M.O.U.

#### G. Long Term Disability Insurance

- 1. The City agrees to pay the premiums for the California State Firefighters Association (CSFA) Long Term Disability insurance plan for each represented member of the unit for the term of this M.O.U.
- 2. The City also agrees to include these payments in the gross income of all bargaining unit members each pay period. The bargaining unit agrees that unit members shall be responsible for all applicable taxes to be paid for this increase in gross income.

#### Article 7. Career Incentive Program

Unit members may qualify for and receive additional compensation based on and subject to the following requirements and procedures:

# A. "Old" Career Incentive Program

- 1. Unit members who as of July 1<sup>st</sup>, 1990 are receiving Level [A] or Level [A] & [B] pursuant to the career incentive program in effect as of June 30<sup>th</sup>, 1990 (hereby referred to as the "Old" Career Incentive Program) shall continue to receive said additional compensation at the established flat rate of pay, if and only if they maintain the continuing education requirements of the program.
- 2. If a unit member loses both his/her Level [A] and Level [B], that employee shall not be eligible to re-qualify for said lost incentive premium(s). The employee may, however, subsequently qualify under the "New" Career Incentive Program described in Section [B] below.
- 3. Unit members who as of July 1<sup>st</sup>, 1990 are not receiving any additional compensation pursuant to the "Old" Career Incentive Program shall not be eligible for any future compensation under this program.

#### B. "New" Career Incentive Program

1. Effective October 20<sup>th</sup>, 1990 unit members described under Section [A-2] above and employees hired after July 1<sup>st</sup>, 1990, shall be eligible for additional compensation of \$100.00 per month upon successful completion of probation as a Hollister

Firefighter and upon successful completion of ten (10) semester units or 200 hours in Fire Science Curriculum or some equivalent job-related program in an approved class, lecture, seminar, etc. Units or instruction in the Hazardous Materials Program and/or the Emergency Medical Technician Program, shall not be qualifying under this program.

2. Upon attainment of the \$100.00 per month "New" Career Incentive Program Premium, a unit member shall be required to successfully complete three (3) units in the fire science curriculum or sixty (60.0) hours of instruction in an approved class, lecture, seminar, etc. within every 24 month period following the date they initially qualified for the additional \$100.00 per month compensation in order to continue to receive the additional \$100.00 per month.

# C. Specialty Incentive Program

- 1. Effective October 20<sup>th</sup>, 1990 employees described in Section [A-2] above, who successfully completed probation as a Hollister Firefighter and who successfully completed the Hazardous Materials Technician/Specialist program, shall receive \$100.00 per month for such time as they hold and maintain the Hazardous Materials Technician/Specialist Certification on a current basis and actually perform the duties.
- 2. Effective July 1<sup>st</sup>, 2008, unit members who successfully completed probation as a Hollister Firefighter and who successfully completed the Emergency Medical Technician (EMT) Program, shall receive \$160.00 per month for such time as they hold and maintain the Emergency Medical Technician certification on a current basis and actually perform the duties.
- 3. Unit Members described in Section [A-1] above, may qualify and receive the Specialty Incentive premium(s) for Hazardous Materials Technician/Specialist Certification and for the Emergency Medical Technician (EMT) certification.

# Article 8. Job Related Disabilities And The Americans With Disabilities Act

# A. Job Related Disabilities

City agrees to comply with the Labor Code of the State of California for employees within this unit deemed disabled or temporarily disabled as a result and because of such job related injury which requires them to be absent from active City service.

#### B. Americans With Disabilities Act

The parties recognize that the City may be required to make accommodations in order to carry out its obligations under the Americans with Disabilities Act (ADA). Some of the accommodations may require actions which are contrary to the language or intent of existing provisions of this agreement. The parties agree that such accommodation relating to ADA shall not constitute a "past practice" or waiver by either party of its right to fully enforce such provisions in the future with regard to persons not subject to the protections of the ADA. The parties recognize that circumstances surrounding ADA compliance in individual cases may involve matters which are personal and require the utmost confidentiality. Specifics of an individual case may not be divulged by the City. Prior to taking action, the City shall notice the Union of a proposed accommodation, as it may apply to the working conditions of the unit, and shall give the Association opportunity for input. Actions taken by the City under this Article shall not be subject to the grievance procedure.

# Article 9. Uniform Allowance and Safety Equipment

#### A. Uniform Allowance

- 1. New employees represented by this unit, shall be provided an initial uniform clothing issue of three (3) shirts, three (3) pairs of pants, one (1) belt, one (1) jacket, one (1) name tag, and one (1) pair of CAL-OSHA approved steel-toed boots.
- 2. The City agrees to provide each represented employee of the unit with a uniform allowance of eight hundred fifty dollars (\$850.00) annually. This clothing allowance shall be paid in twenty-four (24) equal installments. Clothing damaged in the line of duty shall be repaired or replaced at City expense. Replacement shall be done on the basis of depreciation subject to City and employee expense. If agreement cannot be reached between City and the employee on value, a third party shall be used to determine depreciation of any garments.
- 3. The purchase of Class [A] Dress Uniforms shall by at the unit member's sole expense.

# B. Safety Equipment

The City agrees to continue to provide all necessary protective clothing, CAL-OSHA approved steel-toed boots, safety equipment and devices for represented members of this unit. In addition, the City shall comply with all applicable State laws regarding damage and loss of

uniforms and/or personal equipment.

#### Article 10. Grievance Procedure

This grievance procedure shall be the sole and exclusive procedure for resolving grievances filed by employees covered by the M.O.U..

#### A. Definition

A grievance is a claimed violation, misapplication or misinterpretation of a specific provision of this agreement which adversely affects the grievant.

#### B Stale Grievance

A grievance shall be void unless filed in writing within fifteen (15) calendar days from the date upon which the City is alleged to have misinterpreted or misapplied this agreement, or with fifteen (15) calendar days from the time an employee might reasonably have been expected to have learned of the alleged misinterpretation or misapplication. Such discovery period shall not exceed 180 days regardless of the date of discovery. In no event shall a grievance include a claim for money relief for more than the fifteen (15) day period plus such reasonable discovery period.

# C. Informal Discussion with Employee's Supervisor

Before proceeding to the formal grievance procedure, an employee shall discuss his/her grievance with his/her immediate supervisor in private and attempt to work out a satisfactory solution. Any solution reached at this level must be confirmed in writing by the Personnel Officer to assure compliance with this agreement before it has any binding effect.

#### D. Formal Written Grievance to Employee's Supervisor

If the employee chooses to formally pursue his/her grievance, he/she or his/her representative shall present the written grievance to his/her immediate supervisor within seven (7) calendar days after the date upon which the grieving employee informally discusses the grievance with the supervisor. (In the event a group grievance is formally submitted by the recognized employee organization, its initial submission will be to the department head and subsequent steps will be followed as outlined in this section.) The formal written grievance shall specify the provisions of this M.O.U., the City Personnel Rules or Department Rules alleged to have been misinterpreted or misapplied; the remedy sought; and such other specific dates, times,

places and persons and other facts necessary to derive a clear understanding of the matter being grieved. The immediate supervisor shall return a copy of the written grievance to the employee with the supervisor's answer thereto in writing within seven (7) calendar days from receipt of the formal written grievance. The grieving employee shall have seven (7) calendar days from the receipt of the supervisor's written response or from the date of the Personnel Officer's written confirmation or non-confirmation (whichever is later) to file an appeal to the next level.

# E. Grievance to Department Head/City Manager

The department head or the City Manager, if the department head was the grievant's immediate supervisor, shall have seven (7) calendar days in which to review and answer the grievance in writing. Unless waived by mutual agreement of the employee or his/her representative and the department head or City Manager, a meeting is required at this level and the employee and his/her representative shall have the right to be present and participate in such a meeting. The time limits at this level may be extended by mutual agreement between the department head or City Manager and the employee or his/her representative.

# F. Waiver of Appeal Steps

If the grievance is not resolved after the immediate supervisor has answered it in writing, the grievant(s) and the department head may, by mutual agreement, waive review of the grievance at Step [E] and proceed to present the grievance to the City Manager.

# G. Advisory Fact Finding of Grievances

In the event the grievance is not resolved by the City Manager, the recognized employee organization may within fifteen (15) calendar days after receipt of the decision of the City Manager, request that the grievance be heard by a Fact Finder.

#### H. Selection of a Fact Finder

The fact finder shall be selected by mutual agreement between the City and the Association. If the parties are unable to agree on the selection of a fact finder, they shall jointly request the State Mediation and Conciliation Service to submit a list of five (5) qualified Fact Finders. The City and the grievant, or his/her representative, shall then alternately strike names from the list until only one name remains, and that person shall serve as Fact Finder.

#### I. Duty of Fact Finder

Except when an agreed statement of facts is submitted by the parties, it shall be the duty of the fact finder to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a proposed disposition of the grievance which shall be advisory in nature.

The proposed disposition shall be based solely on the interpretation of the applicable provisions of the M.O.U. and other personnel rules if applicable to the grievance, and he/she shall not add to, subtract from, modify or disregard any of the terms or provisions of the M.O.U. or such rules.

#### J. Payment Of Costs

Each party to a hearing before a Fact Finder shall bear its own expenses in connection therewith. All fees and expenses of the fact finder shall be borne one-half by the City and one-half by the grievant. If the City does not implement the proposed disposition of the grievance made by the Fact Finder, the City shall pay all fees and expenses of the Fact Finder.

# K. Effect Of Failure Of Timely Action

Failure of the employee(s) to file an appeal within the required time period at any level shall constitute an abandonment of the grievance. Failure of the City to respond with the time limit at any step shall result in an automatic advancement of the grievance to the next step.

#### Article 11. Leaves

The City shall continue the current sick leave, bereavement leave, family sick leave, emergency leave and vacation rules as defined in this article for the term of this M.O.U..

#### A. Sick Leave

Employees represented by this bargaining unit who are assigned to work a twenty-four (24.0) hour shift shall accumulate Sick Leave at the rate of eleven point two-five (11.25) hours per month. The use of Sick Leave shall be on an hour-for-hour basis. An employee may return from Sick Leave at any time during his/her working shift at the discretion of the City.

#### B. Bereavement Leave

Bereavement Leave is a separate paid leave which is available to all employees at the time of death or funeral of a member of the employee's immediate family as defined below:

Wives/Hushands Grandparent(s) Aunts Children Grandchildren Uncles Mothers-in-law Nieces Step children Fathers-in-law Fathers Nephews Mothers Sisters-in-law Legal Guardians **Brothers** Brothers-in-law

Sisters Grandparent(s)-in-law

Bereavement Leave shall not exceed 24 hours for the death of a member of the employee's immediate family. The employees shall have the option to use up to an additional 48 hours from his/her regular Sick Leave accumulation for Bereavement Leave, when necessary.

# C. Family Sick Leave - Within Existing Benefit

An employee may be granted up to a total of 48 hours of Sick Leave in a twelve (12) month period for the purpose of caring for a husband, wife, children (including stepchildren or foster children), or any other person living in the same household as the employee.

# D. Emergency Sick Leave - Within Existing Benefit

An employee may be granted leave chargeable to Sick Leave for the purpose of responding to members of the immediate family's emergency or illness or injury. Definition of immediate family is the same as defined in Subsection B. above.

#### E. Vacation

Each employee in the bargaining unit shall accumulate vacation with pay based on the following:

0 through 5 Years 5 Working Shifts 6 through 10 Years 7 Working Shifts Over 10 Years 10 Working Shifts

#### Article 12. Work Hours

The City and the Union agree that the number of hours of duty shall be an average of fifty-six (56) hours per week. The shifts shall be designated "A", "B", and "C". Each working shift shall be of a twenty-four hour duration and shall commence at 0800 Hours and terminate at 0800 Hours the following day. The City shall be responsible for posting the work schedule.

For purposes of determining Fair Labor Standard Act (FLSA) overtime the City shall use a twenty-four (24) day work period. This Fair Labor Standard Act (FLSA) work period shall remain in effect until changed by City resolution.

The Union and City agree that the normal shift for the Department will be known as the 4/6 schedule. Any personnel required to change shifts will rotate duty in such a manner so that the cycling will be completed in a twenty-eight (28) day period.

Paid Vacation Leave, paid Compensatory Time-off, and the first thirty (30) calendar days (or 10 shifts, whichever occurs first) of said Sick Leave shall count as hours worked for the purpose determining overtime eligibility and entitlement pursuant to the provisions for the Fair Labor Standard Act (FLSA). Paid Sick Leave beyond thirty (30) calendar days (or 10 shifts, whichever occurs first) and any disability leave (such as 48/50 time, etc.) and any unpaid time shall not count as time worked for purposes of determining entitlement for overtime.

#### Article 13. Miscellaneous

# A. Residency

Unit employees hired after ratification of this M.O.U. shall within eighteen (18) months of employment, be required to move within ninety (90) driving minutes of the City of Hollister city limit. Upon request, the "Residency Limit" Period of an employee of this unit may be extended by the Department Head, for a reasonable period, not to exceed three (3) months.

#### B. Professionalization

- 1. Unit members shall be required to perform all duties related to the Hollister Fire Service as determined by the Department Head and with reference to the job description. Related duties shall include routine maintenance and repair of fire station and equipment and care of station grounds.
- 2. All Fire Captain appointments shall require and must maintain a valid Fire Officer Certification.
- 3. All unit employees shall possess a valid Emergency Medical Technician (EMT) Certification.
- 4. All unit employees shall participate in a Departmental-sponsored physical fitness

program a minimum of one (1) hour per shift.

#### C. Bulletin Board

During the term of the agreement, the City of Hollister shall provide space for the installation and maintaining of bulletin boards in convenient places at each station and work area by employees of the Fire Department of the City of Hollister for use by the Hollister Firefighters Union. The Union shall limit its posting of notices and bulletins to such bulletin boards. Any such notices or bulletins need not be approved by the City of Hollister

#### D. Payroll Deduction Of Dues

The City, upon receipt of a signed payroll authorization, agrees to deduct, biweekly, dues in an amount certified to be current by the Union. The total amount of such deductions shall be remitted, one each month, by the City to the Union.

# E. Shift Exchanges

During the term of the agreement, employees of the Fire Department of the City of Hollister, upon written request and wish consent of the City, may exchange shifts, provided, however, that such exchange does not interfere with the operation of the Fire Department of the City of Hollister. Approval or denial with reasons thereto shall be timely given in writing.

#### F. Minimum Staffing Provisions

The following provisions shall apply for the Hollister Fire Department:

- 1. The minimum staffing standard shall be provided for in the Hollister Fire Department's operating policy. In the event call back is exhausted and a replacement person is not found, the on duty, paid professional, career employee Firefighter shall remain on duty until a paid professional, career employee Firefighter can return to return to work.
- 2. Any time after normally scheduled work hours shall be paid at time and one half. This time may be paid or taken as CTO at the employee's request. If the City determines that pay will adversely affect the Department's budget, the Union agrees to reopen "Meet and Confer" sessions on this item only.
- 3. During special events, Bargaining Unit work will be offered to Career-paid

Professional Firefighters before engaging others.

#### G. Unit Staffing

Whenever possible, apparatus will be staffed by three (3) professional Firefighters. However; this does not establish Mandatory Minimum Staffing Levels.

#### H. Payroll Direct Deposit

The City will continue to offer and strongly encourage the use of the optional City wide direct deposit for payroll checks. Upon submitting a deposit slip and voided personal check, and completing the necessary authorization forms, direct deposit will be implemented.

#### I. Sick Leave Conversion To Cash

Eligible unit employees may convert a percentage of accrued, unused Sick Leave to cash at death or retirement from City employment. The provisions for this policy are as follows:

- 1. Employees of this unit may not "cash out" or be compensated for any of the first 240 hours of Sick Leave accrued.
- 2. Any current employee of this unit having completed 10 years of continuous service with the City and who retires from City service, will be compensated for 25% of accrued, unused Sick Leave in excess of 240 hours at the employee's hourly rate of pay at the time of retirement from City service.
- 3. The surviving spouse, beneficiary(s), dependent(s) or estate of any current employee of this unit who has completed 10 years of continuous service with the City and dies while employed by the City prior to retirement, will be compensated for 50% of accrued, unused Sick Leave in excess of 240 hours at the employee's hourly rate of pay at the time of death.
- 4. Any current employee of this unit having completed 10 years of continuous service with the City and having an unused Sick Leave accrual balance exceeding 500 hours may, at their option, "cash out" up to a maximum of 135 hours (12 days) of unused Sick Leave annually as long as the "cashed out" hours do not diminish the unused Sick Leave accrual balance to an amount less than 500 hours.
- 5. Compensation for unused, accrued Sick Leave will be made at the employee's rate

of pay at the time of "cash out". Requests for payment of unused Sick Leave as described herein, shall be made in writing to the Finance Department at least 30 days in advance of June 1st and December 1st of each year.

6. Payments of "cashed out" unused Sick Leave will be made on the first pay day which follows June 1<sup>st</sup> and December 1<sup>st</sup> of each year. Payment for unused Sick Leave shall be made in the regular payroll check issued for that pay period.

# J. Physical Fitness and Wellness Program

The City shall continue to work with the Union during the budgetary process of each Fiscal Year under the term of the M.O.U. to identify possible funds for maintaining safe and adequate physical fitness equipment to meet the Fire Department sponsored Physical Fitness and Wellness Program requirements. This program shall be incorporated into the "Wellness and Loss Prevention" Program currently under development by the City's Risk Management Office.

# Article 14. Maintenance Of Operations

The Union agrees that during the term of this M.O.U. and for the period of time necessary for the meet and confer process to conclude a successor M.O.U., neither the Union, nor any representative acting on its behalf, will cause, authorize, engage in, condone or sanction a strike, sick-in, work stoppage, slow down, picketing (other than informational picketing on the employees' own time), concerted of individual failure to report for duty, unauthorized absence, including compliance with a request of another unit's labor organization to engage in or honor such activities against the City, or any activity by any other euphemism known which results in less than the full and faithful performance of any duties of employment.

If the City determines that the Union has engaged in any activity mentioned above, the City may order the forfeiture of all rights and privileges, or any portion thereof, of the Union.

If the City determines that an employee has engaged in any activity above, the employee may be subject to disciplinary action up to and including discharge from City service.

# Article 15. Prevailing M.O.U.

In the event of a conflict between a specific provision of this M.O.U. and a written rule, regulation, or solution of the City or any of its divisions, the terms of the M.O.U. shall prevail and said written rule, regulation, or resolution shall be physically amended to conform

to the specific provisions of this M.O.U..

#### Article 16. Union Business

Employees elected as representatives of the Union shall be granted a maximum of three (3) days leave during the fiscal year, based upon need, without loss of pay, for Union business to include, but not be limited to, attendance at conventions, conferences and seminars. The release from duty shall be at the discretion of the City so as not to adversely affect staffing schedules. Two (2) members of the Negotiating Committee shall be allowed time off, without loss of pay, for the purpose of meeting and conferring regarding a successor agreement to this M.O.U..

# Article 17. Drug Free Workplace Policy

The City's Drug Free Workplace Policy, City Personnel Rule 2.05, adopted by Resolution 92-116 (August 3<sup>rd</sup>, 1992), is incorporated by reference into this Memorandum of Understanding.

# Article 18. Savings Clause

If any article or section of this M.O.U. should be found invalid, unlawful or unenforceable by reason of any existing or subsequent enacted legislation or by judicial authority, all other articles and sections of this M.O.U. shall remain in full force and effect for the duration of this M.O.U. In the event of invalidation of any article or section, the City and the Union agree to meet within thirty (30) days for the purpose of meeting and conferring upon said article or section.

# Article 19. Term & Reopener

The term of this Memorandum of Understanding shall commence on November 14<sup>th</sup>, 2011 and shall expire June 30<sup>th</sup>, 2014, unless otherwise agreed to by both parties. It is also agreed to by both parties to initiate the "Meet and Confer" Process in a timely fashion, exchanging written proposals at least thirty (30) days prior to the termination of this agreement.

At the expiration of this Memorandum of Understanding (June 30<sup>th</sup>, 2014), the provision for the Employee's "Pick Up" of the CalPERS Contribution shall sunset and any further Employee "Pick Ups" shall be subject to further negotiations.

At the request of H.F.F.U., the current Memorandum of Understanding may be reopened on

#### **EXHIBIT A**

# CITY OF HOLLISTER FLEXIBLE BENEFITS PLAN

# Description

The City of Hollister Flexible Benefits Plan (hereinafter "Cafeteria Plan") is available to full-time employees (hereinafter "employees"). There will be three (3) participation levels. Once an election is made, it will remain in force until the next open enrollment period. A third party administrator fee will be paid by the employees that participate in the Cafeteria Plan.

#### Participation Levels

The City will pay the first Sixteen Dollars (\$16.00) per month of the premium for medical coverage elected through PERS. The City will allocate specified amounts of "flex credits" to the employee's flexible benefit account. The amounts for determining the flex credits is as follows:

# 1. Single Employee

\$6.00 Flexible Benefits Plan Administration Fee + [PERS Health Lifeguard Medical Plan (one (1) party premium) - \$16.00 PERS Employer Contribution] + Dental Plan (one (1) party premium) + vision plan [one (1) party premium) + \$16.00 PERS Employer Contribution - Flexible Benefits Plan Administration Fee = Flex Contribution for single employee.

# Employee With One (1) Dependent

\$6.00 Flexible Benefits Plan Administration fee + [PERS Health Lifeguard Medical Plan (two (2) party premium) - \$16.00 PERS Employer Contribution] + Dental Plan (two (2) party premium) + vision plan [two (2) party premium) + \$16.00 PERS Employer Contribution - \$61.16 employee contribution [\$41.24 medical/dental contribution + \$13.92 vision contribution + \$6.00 Flexible Benefits Plan Administration Fee] = Flex Contribution for employee with one (1) dependent.

#### Family

\$6.00 Flexible Benefits Plan Administration Fee + [PERS Health Lifeguard Medical Plan (Family Premium) - \$16.00 PERS Employer Contribution] + Dental Plan (Family Premium) + Vision Plan (family premium) + \$16.00 PERS Employer Contribution - \$96.80 Employee

Contribution [\$76.88 medical/dental contribution + \$13.92 vision contribution + \$6.00 Flexible Benefits Plan Administration Fee] = Flex Contribution for family.

Employees can also elect to participate in the optional benefits. If the employee has any surplus Flex Credits after making all elections required to participate in the medical insurance, the employee can use the surplus toward optional qualified insurance benefits or one or both of the pre-tax spending accounts. Employees that wish to participate in the optional benefits plan, but do not have any surplus credits, can elect to have a Pre-tax Payroll Deduction (Salary Redirection) in an amount to cover the cost of their elections.

All employees must participate in the group medical coverage offered by the City. The City of Hollister does not allow the employee to take the surplus credits in taxable cash. Employees who elect not to participate in the group medical coverage offered by the City will be asked to sign a waiver and will be required to provide proof of medical insurance. They will have an opportunity to participate in the Plan's flexible benefit options listed in Exhibit A-1.

The City of Hollister has elected to not offer the employees who opt out of the medical plans to take a cash option.

For employees who elect not to participate in the group medical coverage offered by the City, the City will provide dental and vision coverage for the employee and his/her dependents at not cost to the employee.

# **Premium Option**

Employees may pay the premiums for the following benefits on a voluntary basis:

- Medical Insurance
- Dental Insurance
- Vision Insurance
- Group term life up to \$50K for employee only
- AD&D
- Short Term Disability Insurance
- Cancer Insurance
- Supplemental Health Insurance
- Accident Only Insurance
- Intensive Care Insurance

# Flexible Spending Accounts (FSA's)

The City agrees to establish a Pre-tax Dependent Care Reimbursement Account up to the

maximum reimbursement allowed by law.

The City agrees to establish a Pre-tax Medical Reimbursement Account, up to two thousand five hundred dollars (\$2,500.00) per year, per employee.

#### Vision Plan

The City shall offer vision care insurance for employees and qualified dependents as a pre-tax flexible benefit option. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

#### Dental Plan

The City shall offer dental care insurance for employees and qualified dependents as a pre-tax flexible benefit option. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

# Voluntary Insurance

The voluntary supplemental life insurance plan offered through Standard Insurance Company will also be made available through the flexible benefits plan for pre-tax contributions by the employees. Participation and coverage shall be in accordance with the terms and conditions of the insurance carrier.

Employees may also elect pre-tax payroll deductions to support other City sponsored voluntary supplemental insurance benefits.

#### Summary

There are three (3) levels of employer flexible credit amounts provided in the Cafeteria Plan. Employees may choose to apply their flexible credit allowances toward the medical insurance and/or pre-tax optional benefits offered under the plan outlined in Exhibit A-1. Employees also may elect pre-tax payroll deductions to support the benefits chosen.

# **EXHIBIT A-1**

# CITY OF HOLLISTER FLEXIBLE BENEFITS PLAN

# **Benefits Options**

- A. Core Flex Plan
  - 1. CalPERS Medical Option
- B. Flexible Benefit Options
  - 1. Pre-tax Spending Accounts
    - a. Dependent Care
    - b. Un-reimbursed Medical Expenses
  - 2. Vision Plan
  - 3. Dental Plan
- 4. Voluntary Supplemental Life Insurance

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April 1<sup>st</sup>, 2013 solely to address the feasibility and possibility of a Cost of Living Allowance, salary increase, or a reduction to the Employee's "Pick Up" of the CalPERS Contribution. The provisions that shall warrant any such discussions and possible consideration shall be based upon an improvement of the City's current financial situation and its ability to sustain any such proposed increase.

Additionally, during the term of this Memorandum of Understanding, should any other group receive an across-the-board salary increase, the same increase shall be offered to all eligible unit members under the same terms and conditions.

CITY OF HOLLISTER	HOLLISTER FIREFIGHTERS UNION
Dated 14/1(	Dated 11.8.11
By City Manager	By President
By Negotiator	By VINCENT GREWOHL Negotiator
By Negotiator	By Negotiator J. PHIL RossI
	By Johnson Fisher Negotiator Norman Fisher
	By Negotiator John Parrinello

#### RESOLUTION NO. 2011-145

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER ADOPTING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HOLLISTER AND THE HOLLISTER FIREFIGHTERS UNION, LOCAL 3395

WHEREAS, representatives of the City of Hollister and the Hollister Firefighters Union, Local 3395, an organization representing Hollister city employees, have met and conferred in good faith concerning subjects of bargaining; and

WHEREAS, understandings and agreements have been reached between the bargaining representatives; and

WHEREAS, both parties agree to enter into a Memorandum of Understanding for the term of November 14, 2011 through June 30, 2014;

**NOW THEREFORE BE IT RESOLVED,** that the City Council of the City of Hollister authorizes the execution of the Memorandum of Understanding between the City of Hollister and the Hollister Firefighters Union, Local 3395, for the term of November 14, 2011 through June 30, 2014.

**PASSED AND ADOPTED** at a special meeting of the City Council of the City of Hollister on the 14th day of November, 2011, by the following vote:

AYES: Council Members Emerson, Friend, Scattini, and Mayor Valdivia.

NOES: None.

ABSTAINED: None.

ABSENT: Council Member Gomez.

Pauline Valdivia, Mayor

ATTEST:

Geri Johnson, City Clerk

APPROVED AS TO FORM:

Stephanie Atigh, City Attorney

DUPLICATE OF ORIGINAL ON FILE IN THE OFFICE OF THE CITY CLERK OFFICE OF HOLLISTER

# STAFF REPORT CITY COUNCIL OR STUDY SESSION AGENDA

DATE: November 1<sup>st</sup>, 2011 AGENDA ITEM: Resolution #3

STUDY SESSION DATE: N/A MEETING DATE: November 14th, 2011

• TITLE OF ITEM: Consider Resolution No. 2011-145, A Resolution adopting a Memorandum of Understanding between the City of Hollister and the Hollister Hollister Firefighters Union - Local 3395.

- BRIEF DESCRIPTION: This Resolution approves the Memorandum of Understanding between the City of Hollister and the Hollister Firefighters Union Local 3395 for the term of November 14<sup>th</sup>, 2011 through June 30<sup>th</sup>, 2014.
- STAFF RECOMMENDATION: The Council approves the following motion: Adopt Resolution 2011- 145.

DEPARTMENT SUMMARY: The most current Memorandum of Understanding between the City of Hollister and the Hollister Firefighters Union - Local 3395 expired by extension on June 30<sup>th</sup>, 2011. Representatives from both parties have negotiated in good faith and have reached agreement for a successor Memorandum of Understanding. The implementation of this agreement is effective with November 14<sup>th</sup>, 2011 and expires on June 30<sup>th</sup>, 2014.

FISCAL IMPACT: The projected savings for the negotiated salaries and benefits for all designated members of this unit is 6.00% for the remainder of Fiscal Year 2011-2012, which equates to an annual savings of three & three-quarters percent (3.75%) for Fiscal Year 2011-2012, Eight Percent (8.00%) for Fiscal Year 2012-2013, and Nine Percent (9.00%) for Fiscal Year 2013-2014.

**DEPARTMENT:** Administrative Services

CONTACT PERSON: Robert C. Galvan

THIS REPORT WAS REVIEWED BY THE CITY MANAGER WHO CONCURS

WITH THE STAFF RECOMMENDATION:  $\angle$ 

Clint G. Quilter, City Manager